

CENTRAL INTELLIGENCE AGENCY REPORT

CD NO.

DATE OF INFORMATION 1949

DATE DIST. 22 Dec 1949

NO. OF PAGES .. 2

SUPPLEMENT TO
REPORT NO.

REPORT NO.

THIS IS UNEVALUATED INFORMATION

CRITICIZES MINE EFFICIENCY, PLANNING

Budgets and credits are still more muddled. Managers do not use them to hold down costs, but merely as means for obtaining goods. Investigation showed that in 3 months (April-June) expenditures for wages exceeded appropriations by more than 2 billion yuan. To show low cost, materials were listed lower than the original cost by mine managers. For instance, mine timbers made by a certain company were priced at 600,000 yuan a cubic meter (the forestry bureau charges 1,800,000). Some mines priced left-over material at last year's price which is two or three times lower than current costs.

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As yet there is no good plan for overcoming lack of organization and discipline. Not only is the carrying out of instructions clumsy, but the handling of the system of requisitions and reports is inefficient. Houses costing millions of yuan were torn down without permission. The month-end surplus is frequently not reported, but the next month's allotment is claimed.

FOU-HSIN MINES EXPANDING -- Tung-pei Jih-pao, 1 Aug 49

Fou-hsin Coal Mines are rapidly recovering. In the last 5 months 21,600 meters of tunnel have been restored, and 30 pits are in production. Recovery has been far ahead of schedule.

FOU-HSIN COAL MINES FLOODED -- Tung-pei Jih-pao, 21 Aug 49

Fou-hsin -- After many days of rain, the Fou-hsin Coal Mines have suffered heavy damage as a result of the flooding of pits and shafts. The daily average output has been reduced from 7,000 to 1,000 tons per day. Much machinery has been submerged and damaged.

This loss is primarily due to the previous pinch-penny policy of the KMT which thought only of taking out the coal, but spent nothing to protect the mines from such damages. It is also due to insufficient attention to technical improvements by the present management. Urgent measures to restore production and prevent a repetition of this experience have been put into effect.

RECONSTRUCTION WORK AT PEN-CH'I COAL MINE -- Tung-pei Jih-pao, 24 Jul 49

Rehabilitation of the Pen-ch'i Coal Mine, started in November 1948, is making rapid progress. By using twelve 50-150-horsepower water pumps, water from the inundated mine was completely removed by April 1949. Since then, repairs on all surface machinery as well as three machinery sheds located inside the mine have been completed. The repair of underground railroad tracks is now in progress.

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